

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 01-05	2. STATE Louisiana
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 10, 2001	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		

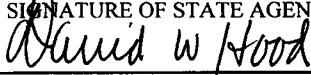
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.10; 42 CFR Part 447 Subparts B & C	7. FEDERAL BUDGET IMPACT: a. FFY <u>2001</u> <u>\$ 479.59</u> b. FFY <u>2002</u> <u>\$ 2,254.81</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Item 1, Page 8 * Page 8a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 95-33) * Same (TN 01-04 Pending)

10. SUBJECT OF AMENDMENT: **The purpose of this amendment is to establish a separate prospective per diem rate for well baby care rendered to infants who are discharged at the same time that the mother is discharged. The separate per diem rate for well baby care shall be available to private hospitals that perform more than 1500 Medicaid deliveries per year. This amendment also provides for change in format on Page 8a of Attachment 4.19-A, Item 1 to reflect that number 7.e. Supplemental Payment is now number 7.d.**

11. GOVERNOR'S REVIEW (Check One):

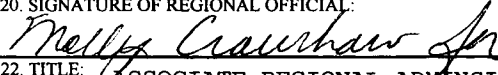
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED: **The Governor does not review state plan material.**

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: State of Louisiana Department of Health and Hospitals 1201 Capitol Access Road PO Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME: David W. Hood	
14. TITLE: Secretary	
15. DATE SUBMITTED: May 18, 2001	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 25 MAY 2001	18. DATE APPROVED: 3 AUGUST 2001
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 10 APRIL 2001	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: CALVIN G. CLINE	22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR DIV OF MEDICAID AND STATE OPERATIONS

23. REMARKS: **Pen & ink change made per state's 6/27/01 request.**

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING RATES - IN-PATIENT HOSPITAL CARE

7. **The following payments shall be made in addition to the prospective rate described above**

a. **Infant Care**

(1) **Nursery Boarder Infants Payment**

On some occasions a newborn remains in a hospital nursery after the mother has been discharged. Reimbursement is established at the weighted median for all hospitals providing maternity care, based on 1991 cost inflated to the implementation year as described in "Inflation Factor" above, and annually thereafter.

(2) **Well Baby Care**

A separate prospective per diem rate is established for well baby care rendered to infants who are discharged at the same time that the mother is discharged. The separate per diem rate for well baby care shall be available to private hospitals that perform more than 1500 Medicaid deliveries per year. The per diem rate for well baby care shall be the lesser of actual costs as documented on the last finalized cost report or the rate for a nursery boarder.

b. **Outlier Payments**

In compliance with the requirement of §1902(s)(1) of the Social Security Act, additional payment shall be made for catastrophic costs associated with services provided to 1) children under age six in a disproportionate share hospital setting and 2) infants who have not attained the age of one year in any acute care setting. Each case will be reviewed on an individual basis. If covered charges for the individual case exceeds both \$150,000 and two hundred percent (200%) of the prospective payment, reimbursement will be 55% of marginal costs. Marginal costs are determined by applying the cost to charge ratio to actual charges and subtracting the prospective payments.

Cost is defined as the hospital-specific ratio of cost to charges from the 1991 base period multiplied by the covered charges.

For new hospitals, the hospital-specific ratio of cost to charges is determined as follows:

- 1) For new hospitals enrolled subsequent to the 1991 base year that have completed 6 months or more of operations and have filed a cost report by June 30, 1994, cost data contained in the hospital's initial cost report period shall be used to determine the hospital-specific ratio of cost to charges.
- 2) New hospitals not having submitted a cost report of at least six months on or before June 30, 1994 will use the ratio of cost to charges of the hospital at the weighted median for the peer group.

A	
STATE Louisiana	
DATE REC'D 25 May 01	
DATE APP'D 3 Aug 01	
DATE EFF 10 Apr 01	
HCFA 179 LA-01-05	

TN# LA 01-05 Approval Date 3 Aug 01 Effective Date 10 Apr 01
Supersedes
TN# LA 95-33